



ArcelorMittal

Code for Responsible Sourcing

Short description

ArcelorMittal asks its suppliers to meet the minimum health and safety, human rights, ethical and environmental standards. ArcelorMittal encourages its suppliers to work together to identify and develop ongoing performance improvements to its responsible sourcing programme.

Scope

Relevant to all of ArcelorMittal's suppliers and contractors and their affiliates and applies to all products and services that ArcelorMittal purchases. Suppliers are strongly encouraged to collaborate with ArcelorMittal to identify further opportunities to improve responsible business practices in the areas of health and safety, human rights, ethics and environmental stewardship along the supply chain.



Code for Responsible Sourcing

1. Our mission

ArcelorMittal is committed to the production of Safe Sustainable Steel. In support of this goal, we will work with our suppliers to:

- Operate a lean supply chain that supports our corporate responsibility policies.
- Develop sourcing solutions in line with customer, regulatory and wider stakeholder needs and expectations.
- Create long-term value and reduce risk for our business, our suppliers and our stakeholders.

We will achieve these objectives by setting responsible sourcing standards, by collaborating, innovating and embedding responsible sourcing into our business processes.

2. Introduction

ArcelorMittal's Code for Responsible Sourcing ("Code") communicates how we will work with our suppliers, and asks them to meet the minimum health and safety, human rights, ethical and environmental standards set out below. We encourage our suppliers to work with us to identify and develop ongoing performance improvements to our responsible sourcing programme. We hope that this Code will promote sustainable business practices by our suppliers.

ArcelorMittal defines its supply chain as the goods and services purchased for, and utilised in, its operations. This includes primary input materials such as iron ore, solid fuels, metallics, alloys, base metals, energy as well as construction, capex, industrial and professional services and products, shipping and logistics. Responsible Sourcing is a key principle in ArcelorMittal's procurement approach, and is given systematic consideration alongside factors such as price and quality.

3. Scope

This Code applies to all of ArcelorMittal's suppliers and contractors and their affiliates and applies to all products and services that ArcelorMittal purchases. We strongly encourage our suppliers to promote the requirements of this Code within their own supply chain, and will give recognition to suppliers who do this.

4. Our commitment to suppliers

To implement the Code, ArcelorMittal will:

- Collaborate: Work with suppliers to improve social (including health and safety and human rights), environmental and ethical standards. This may include joint assessments, such as site visits, to evaluate performance against the Code.
- Support: Assist suppliers to identify activities that fall below the requirements of the Code and work towards achieving improved conditions in a timely manner.
- Prioritise: Focus attention on those parts of the supply chain where the risk of not meeting the requirements of the Code is highest and where the maximum improvement can be made.
- Respect: Conduct our business with suppliers in a fair, objective, transparent and professional manner. This includes treating suppliers' employees working at our premises with the same workplace practices as our own staff.
- Promote: Act as an advocate for responsible supply chain practices within our industry.
- Communicate and train: Ensure that all our employees are aware of the Code, and that those responsible for purchasing are appropriately trained.
- Improve: Regularly review our programme and practices to ensure they contribute to our responsible sourcing vision.

5. What we expect from our suppliers

Suppliers are strongly encouraged to collaborate with ArcelorMittal to identify further opportunities to improve responsible business practices in the areas of health and safety, human rights, ethics and environmental stewardship along the supply chain.

5.1. Health and safety:

ArcelorMittal is committed to working towards a goal of zero accidents and injuries, as well as general wellbeing in the workplace and beyond. This is endorsed by the Health and Safety Policies and Procedures that promote our philosophy of Safe Sustainable Steel.

ArcelorMittal requests its suppliers to eliminate all work related injuries on their workforce or community, and to meet the standards of ArcelorMittal's Health and Safety Policy.

5.2. Human Rights:

ArcelorMittal respects all human rights, of employees and local communities, and is committed to promoting these principles to its suppliers, as set out in ArcelorMittal's Human Rights Policy.

ArcelorMittal requests its suppliers to develop and implement policies and procedures to ensure respect of all human rights in their businesses, and those of their suppliers.

The supplier must always comply with the most demanding requirements, whether relevant applicable laws, the Human Rights Policy or this Code. Where local laws prohibits the supplier from upholding certain aspects of the Code or the Human Rights Policy, the supplier should comply with local laws while seeking to respect human rights.

5.3. Ethics:

ArcelorMittal is committed to apply fair, ethical and transparent business practices.

ArcelorMittal is committed to use raw materials of legal and sustainable origin and not to source 'conflict minerals' contributing to finance armed conflicts and enable human rights abuses. ArcelorMittal maintains due diligence processes to achieve compliance with this commitment and requests relevant suppliers to fully support ArcelorMittal in this effort.

ArcelorMittal requests its suppliers to maintain and enforce a company policy requiring adherence to ethical business practices, adopting the principles of ArcelorMittal's Code of Business Conduct and ArcelorMittal's Anti-Corruption Guidelines.

5.4. Environmental stewardship:

ArcelorMittal is committed to making steel more sustainable. To achieve this goal ArcelorMittal uses its expertise in steel and mining to develop cleaner processes and aims to minimise the impact on the environment. We seek to work with suppliers that are committed to the same objectives and follow best practices in environmental management, including energy and resource efficiency, biodiversity management, waste reduction and recycling.

ArcelorMittal requests its suppliers to maintain effective policies, processes and procedures to manage their environmental impact and to operate their business in a manner that meets the standards of ArcelorMittal's Environment Policy.

6. Documentation and monitoring

On request, we require our suppliers to:

- Complete a self assessment questionnaire based on this Code.
- Provide ArcelorMittal or its representatives with copies of all relevant information, to co-operate and to use reasonable endeavours to ensure that their sub-contractors do the same.
- Demonstrate what efforts they are making to meet the requirements of the Code.

The Code forms an integral part of ArcelorMittal's supplier relationship management and evaluation procedure. ArcelorMittal will take a risk based approach in assessing suppliers' compliance with the requirements of this Code. Monitoring may take the form of self assessments, site visits, and follow up on remediation plans.

ArcelorMittal will work with its suppliers in addressing gaps identified. ArcelorMittal reserves the right to disengage from suppliers that do not meet the requirements of this Code or who cannot provide or commit to an improvement plan.

7. Review

ArcelorMittal will periodically review this Code and the implementation programme, with respect to its suitability and effectiveness.